(b) to (e) India had attended the Montreal Conference as an observer. The stand of the Government of Indian is being finalised in consultation with the various concerned departments. Till the end of December 1988, 28 countries and the European community have signed the Protocol.

**Evasion of Taxes by M/s. Pal Synthetics Private Limited Bombay**

296. SHRI BIR BHADRA PRATAP SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that M/s. Pal Synthetics Private Limited, Plot No. 41, Marol Ind. Co-op. Society, Andheri (East), Bombay have evaded excise duty customs duty and income tax on yarn during the last three years;

(b) if so, what are the details in this regard and what action has been taken to recover the excise, customs duty and income-tax from the company; and

(c) whether it is also a fact that the Directors of the company have purchased properties at 503, Hill-N-Sea , 72, Pali Hill Road, Bombay without obtaining the clearance under Section 37-I of the Income Tax Act, and if so, what action has been taken in this regard and what is the source of funds raised for the purchase of property ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) No case of evasion of Central Excise duty, Customs duty and Income-tax by M/s. Pal Synthetics Private Limited has come to the notice of the tax' duty assessing authorities.

(c) Information is being collected and will be laid on the Table of the House.

**Wiping out of farmers' debt in Maharashtra**

297. SHRI PRAMOD MAHAJAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government are aware of the decision of Maharashtra Government to wipe out a portion of the farmers' debt and rescheduling the same; and

(b) if so, what is the Central Government's reaction thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir. The State Government of Maharashtra had reported that certain decisions were taken by them with a view to lessen the burden of farmers, landless labourers and Adivasis through a package of remission of Government dues, freezing of interest dues and reschedulement of principal alongwith interest due to cooperative credit institutions.

(b) The consistent stand of Reserve Bank of India and Central Government in this regard has been that generalised waivers of write off of loans through whatever modality, irrespective of the merits of each case, harm the rural credit system.

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12.00 NOON

**PAPERS LAID ON THE TABLE**

**Notification of the Ministry of Home Affairs publishing the Governors (Allowances and Privileges) Amendment Rules, 1989**

THE MINISTER OF HOME AFFAIRS (SHRI BUTA SINGH): Sir, I beg to lay on the Table, under sub-section (3) of section 13 of the Governors